

Montana Transportation Commission

April 10, 2006 – Telephone Meeting

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Note: => indicates follow-up is needed.

The Montana Transportation Commission met via conference call on April 10, 2006. The meeting was called to order by Chairman Kennedy at 10:06 am with the following participants:

- Bill Kennedy, Transportation Commission Chair (District 5)
- Nancy Espy, Transportation Commission Vice Chair (District 4)
- Kevin Howlett, District 1 Transportation Commissioner
- Deb Kottel, District 3 Transportation Commissioner
- Jim Lynch, MDT Director
- Jim Currie, MDT Deputy Director
- Tim Reardon, MDT Chief Counsel
- Loran Frazier, MDT Chief Engineer
- Lorelle Demont, Commission Secretary

Agenda item 1: Award projects from March 30, 2006 letting

Projects 1 and 2 were awarded during a special teleconference on April 5, 2006. Loran Frazier reviewed staff recommendations (see attached) for the following projects:

Project 3: St. Regis – East & West (Structures) [IM 90-1(142)2]

No bids were tendered for this bridge deck repair project. Staff recommends readvertising the project at the next letting.

Project 4: West Billings-King Ave Bridges [BR-IM 1010(2)]

Three bids were tendered on this A + B project. There were no errors or omissions in the low bid which was 22.14 percent over our engineers' estimate. The item with the most cost variance was special borrow. With each load taking an estimated 45 minutes per round trip, we can justify an increase of \$1,213,100 for this item. The low bid is 9 percent over the revised engineers' estimate.

Staff recommends the A portion of the contract be awarded to Sletten Construction Company in the amount of \$12,386,373.16.

Kennedy said a group came to see me last week regarding the *West Laurel Interchange* project in the January 26, 2006 letting. We had received only one bid which was 83.97 percent over the engineers' estimate and staff had recommended the commission reject the bid. Kottel said it seems that MDT adjusts their estimate if we missed something and can justify the change. Lynch said we could look at our specs, but it's important we protect MDT's interests against overspeculation regarding future prices. Kennedy asked if we do the same process each time. MDT confirmed we do.

Project 5: NW of Red Lodge-NW [STPP 78-1(13)6]

Four bids were tendered. There were no errors or omissions in the low bid which was 3.44 percent under our engineers' estimate.

Staff recommends the contract be awarded to Riverside Contracting Inc. in the amount of \$1,701,921.15.

Project 6: West of Busby-West, Busby-East & West & Jct. Sec-418-West
[NH 37-1(29)19, NH 37-1(34)22 & STPS 416-1(12)9]

This project was pulled from the letting and will be readvertised in the April bid letting.

Project 7: Swan River-3 km SE of Ferndale [BR 9024(19)]

Two bids were tendered. There were no errors or omissions in the low bid which was 0.18 percent over our engineers’ estimate.

Staff recommends the contract be awarded to Frontier-West LLC in the amount of \$1,502,436.30.

Project 8: Sunburst – South & Shelby – North [IM 15-8(62)380 & STPP 67-1(5)0]

Two bids were tendered. There were no errors or omissions in the low bid which was 30.59 percent over our engineers’ estimate.

This seal and cover project was previously tied to the *Great Falls – Vaughn* and the *Pondera County Line – South* projects that were in the December letting. That contract was rejected due to high bid prices. The *Shelby – North* project is a cold milling and plant mix overlay job with most of the work occurring within the city limits. This contract also includes an overlay of the Shelby Maintenance yard. A letter from Riverside provides more detail regarding their bid.

| <i>Bid item</i> | <i>Bid prices</i> | <i>Engineers’ estimate</i> | <i>Analysis</i> | <i>Adjustment to engineers’ estimate</i> |
|------------------------------|-------------------|----------------------------|---|--|
| Cover material | \$0.55 \$0.50 | \$0.42 | A higher price is anticipated for a smaller quantity, however, \$0.55 is high. Prices for this quantity typically range from \$0.39 to \$0.50 therefore \$0.50 can be justified for this project. | + \$35,861 |
| Bridge rail revision | \$125 | \$60 per foot | The quantity is 571.67 feet. Looking at current bid history, we can justify \$85 per foot. | + \$14,291 |
| Mobilization | ~23% | 13% | Mobilization for typical overlay projects range from 12% to 15%. | No adjustment |
| Total adjustments | | | | + \$50,153 |
| Original engineers’ estimate | | | | \$1,095,685 |
| Revised engineers’ estimate | | | | \$1,145,838 |

The low bid is 24.8% above the revised engineers’ estimate, and not within guidelines for award. Staff recommends the contract *not* be awarded to Riverside Contracting Inc. in the amount of \$1,430,888.00 but rather combine the project with the *Shelby-East* job next year.

Project 9: N of Browning – North [STPS 464-1(10)13]

One bid was tendered. There were no errors or omissions in the low bid which was 14.81 percent over our engineers’ estimate.

Staff recommends the contract be awarded to Schellinger Construction Co. Inc. in the amount of \$1,164,822.00.

Project 10: JCT US 191 – West [STPP 81-1(15)36]

Two bids were tendered. There were no errors or omissions in the low bid which was 3.71 percent over our engineers’ estimate.

Staff recommends the contract be awarded to Century Companies Inc. in the amount of \$919,728.10.

Project 11: Pedestrian Tunnel – Gallatin Gateway [NH 50-2(48)76]

Two bids were tendered. There were no errors or omissions in the low bid which was 0.67 percent over our engineers’ estimate.

Staff recommends the contract be awarded to A M Welles Inc. in the amount of \$625,792.90.

Project 12: Interstate Fence – East of Galen [IM 90-3(90)195]

Seven bids were tendered. There were no errors or omissions in the low bid which was 51.35 percent under our engineers’ estimate.

| <i>Bid item</i> | <i>Bid prices</i> | <i>Engineers’ estimate</i> | <i>Analysis</i> | <i>Adjustment to engineers’ estimate</i> |
|-----------------|-------------------|----------------------------|---|--|
| Fence – Type CW | \$4.30 | \$9 | The quantity is 11,638 meters. We haven’t let a fencing job with this quantity of fence since March 2003 for the <i>Drummond E & W</i> project; the low bid for this item on that job was \$4 and the second bid was \$4.20. According to Lee of Menard Construction, they are getting their fending material from Hills Products in South Dakota and their prices were cheaper than what he could get locally. | No adjustment |
| Mobilization | \$1,000 | \$23,000 | Staff talked to Lee of Menard Construction and he indicated that they would be mobilizing in a farm tractor and a skidder. | No adjustment |

Staff recommends the contract be awarded to Menard Construction Inc. in the amount of \$80,573.40.

Commissioner Kottel moved to accept staff recommendations to award projects as presented (projects 4, 5, 7, 9, 10, 11, and 12); Commissioner Espy seconded the motion. All four commissioners voted aye.

Commissioner Kottel moved to not award project #8; Commissioner Espy seconded the motion. All four commissioners voted aye.

Commission discussion

Frazier said we have a culvert east of Billings on Interstate 94 that failed due to hydrostatic pressure. The area received about four inches of rain. The culvert has an arch style, which was probably state-of-the-art in the 60s but is the same style that failed at Hatchett Creek last year. We are conducting an inventory to see how many of these we have in the state.

The culvert failure happened right near a farm access, which works well for a detour. We’ve hired JTL to overlay the on- and off-ramps, and to smooth out the cattleguards. In ten days, we intend to have plans ready and start an abbreviated advertisement period for the project. The new pipe will take about four weeks to be delivered, so to prevent delay, MDT will purchase the pipe and provide it to the contractor. We think it will take a contractor five to six weeks to do the work. It’s expected to take a total of about ten to 12 weeks until the repairs are complete.

Currie said this is the third pipe of this type to fail in the last 12 months. Another in the district is showing distress. We need to look at putting a program together to start replacing these.

Howlett asked if this culvert failure and road closure cuts off communities. Frazier said the on-and off-ramps to the farm access are providing a detour. Kennedy asked if anyone got

hurt. Lynch said no, and that it couldn't have happened at a better place because of the nearby detour. Espy said she hadn't received any complaints.

Bill Kennedy, Chairman
Montana Transportation Commission

Jim Lynch, Director
Montana Department of Transportation

Lorelle Demont, Secretary
Montana Transportation Commission